



Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

www.dmas.virginia.gov

MEDICAID MEMO

TO: All Inpatient Acute, Inpatient Psychiatric, and Inpatient Rehabilitation Service Providers, and Managed Care Organizations Participating in the Virginia Medical Assistance Programs

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services

DATE: 08/04/2006

SUBJECT: Updates and Clarification of the Inpatient Prior Authorization Process for Inpatient Acute Care Services

The purpose of this memorandum is to provide updates and clarification for the prior authorization (PA) process with Virginia Medicaid's new PA contractor, Keystone Peer Review Organization (KePRO). This memorandum summarizes PA-related information previously communicated in several Medicaid Memoranda beginning March 20, 2006. We understand that some providers have experienced delays and issues with the process and hope that these general guidelines will assist with the transition. We ask for your patience and understanding as we improve the timeliness of this process.

The implementation of the new PA process was completed on June 19, 2006. KePRO manages PA review for all services except the following: (1) those services maintained with existing vendors (Pharmacy, Dental, Transportation, Mental Retardation & Day Support Waivers, and Managed Care Organizations); (2) those authorizations maintained by the Department of Medical Assistance Services' (DMAS) Medical Support* (Organ Transplants, Gastric Bypass, Cosmetic Procedures, Prostheses); and, (3) certain waiver enrollment/service authorizations maintained by DMAS Long-Term Care. **For inpatient medical procedures, a PA from KePRO will be required for the inpatient admission once the physician PA for the procedure has been approved by DMAS Medical Support.*

1. iEXCHANGE Updates

Providers can use iEXCHANGE, the KePRO web-based PA system, to submit requests 24 hours a day, seven days a week. Registration is required and once completed, providers can expect to receive their iEXCHANGE user login and password by email within 10 business days. A step-by-step iEXCHANGE user manual, an on-line pre-recorded training presentation with iEXCHANGE demo, and other helpful resources are available on the KePRO website at:

<http://dmas.kepro.org/default.aspx?page=iexchange>. If you have questions or concerns about iEXCHANGE, please contact KePRO at (888) 827-2884, (804) 622-8900, or ProviderIssues@kepro.org.

2. Verify Client Eligibility

Providers are encouraged to verify the client's eligibility and enrollment prior to submitting PA requests to KePRO. As many Medicaid, FAMIS Plus, and FAMIS individuals are enrolled with a DMAS managed care organization (MCO), eligibility verification avoids unnecessary delays associated with PA submissions to an incorrect payer source.

DMAS offers a web-based option, automatic response system (ARS), for eligibility verification purposes. The website to use to enroll or access this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

3. Efficiency of PA Request Submissions

The preferred method of submission for PA requests is through iEXCHANGE; however, requests may be submitted via fax, telephone, or mail. Updated PA request fax forms are now posted on the DMAS and KePRO websites. The forms have been updated based upon provider feedback, and are available in two formats: (1) a PDF version that providers can download and complete manually; and, (2) an editable Word version, that allows providers to save the form and input responses directly. (Use of editable version of the PA request form will expedite processing.) When submitting by fax and/or mail, providers must use the updated fax form and should include all relevant clinical information in the *Severity of Illness* (SI) and *Intensity of Service* (IS) boxes. **Please do not state "see attached" or "meets criteria," and do not send attachments with the fax forms, except as noted in fax form instructions.** KePRO is unable to alter any information submitted on PA requests. Providers are responsible for providing accurate and correct information on their PA requests.

Starting August 21, 2006, KePRO will reject requests that are submitted with old forms and unauthorized attachments. Please see the KePRO website <http://dmas.kepro.org/> or DMAS website www.dmas.virginia.gov for current versions of forms and associated instructions.

Please note that for inpatient hospital stays, only the admission requires preauthorization, therefore, the number of days authorized will generally be only one (1) day. Additionally, PA requests for retroactively eligible recipients or "retro-reviews" should include the eligibility begin date as the PA requested date of service. These "retro reviews" can also be submitted via iEXCHANGE, phone, or fax, and should include only the required clinical documentation (i.e., do not submit the entire medical record).

Once your request has been submitted, a case ID number will be generated. The case ID number is used to track this specific case through KePRO's system. **Please note that the case ID number is not your PA number.** The PA number will also be posted on iEXCHANGE (and sent via fax for telephone and fax PA submissions). Providers may also check prior authorization status through Medicaid (1-800-884-9730 or 1-800-772-9996) or the DMAS web-based ARS at <http://virginia.fhsc.com>.

Clients and providers will continue to receive written notifications of service approvals, partial approvals, and denials. These PA notification letters are sent to the provider address on file, as indicated by the provider in their enrollment filing with DMAS. Written letters will also identify applicable provider and client appeal rights and instructions.

If additional information is required, KePRO will notify the provider through iEXCHANGE (or via fax for telephone and fax PA submissions) of missing information. When responding back to KePRO providers should only submit the specific information requested.

4. Special Instructions for ICD-9 Diagnosis Codes and Procedure

ICD-9 Diagnosis Codes – For ALL prior authorization submissions, the primary ICD-9 diagnosis code (*include all 5 digits*) relative to the PA requested service(s) is required. For inpatient PA requests, the admission or “working” diagnosis ICD-9 code is sufficient. (The diagnosis code provided with the inpatient PA request is not required to match with the diagnosis code billed on the inpatient claim).

Procedure Codes – For inpatient admissions, procedure codes are not required as part of the PA submission. If the recipient is being admitted for a planned, elective, surgical procedure, the provider must specify the procedure to be performed as part of the *severity of illness* or *intensity of service* documentation.

iEXCHANGE provides a search feature for ICD-9 and procedure codes. These codes are also available in an Excel format on the KePRO website at: <http://dmas.kepro.org/default.aspx?page=faq>.

5. PA Timely Filing Requirements

DMAS has extended the relaxed requirement of timely submission for PA requests through September 30, 2006. This applies for request dates beginning May 2006 (at the time of the KePRO implementation). Starting October 1st, timely submission for requests will again be applied and determinations will be made based on timeliness.

6. Transportation through LogistiCare for Services Requiring PA

The prior authorization “*issued for the medical service*” that is required for any necessary transportation services through LogistiCare (DMAS’ Non-Emergency Transportation Contractor) has also been relaxed for all services requiring PA through August 31, 2006. Starting September 1, 2006, LogistiCare will resume application of any PA-related transportation rules.

TRAINING AND PA RESOURCE INFORMATION

A pre-recorded Web-Ex training that provides an in-depth PA overview and an iEXCHANGE demo is available on the KePRO website at: <http://dmas.kepro.org/default.aspx?page=iexchange>. Providers may view this web-cast training at their convenience.

The most up-to-date PA information is posted on the DMAS Website at: http://www.dmas.virginia.gov/pr-prior_authorization.htm and the KePRO website at:

<http://dmas.kepro.org>. Should you have any questions regarding the prior authorization process, please send your inquiries via e-mail to providerissues@kepro.org or PAUR06@dmas.virginia.gov.

KePRO CONTACT INFORMATION

You may contact KePRO through the following methods:

iEXCHANGE: <http://dmas.kepro.org/>
Toll Free Phone: 1-888-VAPAUTH (1-888-827-2884)
Local Phone: (804) 622-8900
Fax: 1-877-OKBYFAX (1-877-652-9329)
Mail: 2810 N. Parham Road, Suite 305, Richmond, VA 23294
Other Provider Issues: ProviderIssues@kepro.org

Some providers have experienced difficulty accessing KePRO's toll free telephone and fax numbers. It is our understanding that many providers have successfully resolved this issue by reporting the inability to access the KePRO numbers to their respective telephone vendor. Providers who are unable to access the KePRO fax number may submit through iEXCHANGE or telephonically to: 804-622-8900, or by mail.

PRIOR AUTHORIZATION, ELIGIBILITY, AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider. Providers may also access prior authorization information including status via iEXCHANGE at <http://dmas.kepro.org/>

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its Provider Manuals and Medicaid Memoranda on the DMAS website at www.dmas.virginia.gov. Refer to the "DMAS Content Menu" column on the left-hand side of the DMAS web page for the "Provider Services" link, which takes you to the "Manuals, Memos and Communications" link. This link opens up a page that contains all of the various communications to providers, including Provider Manuals and Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet or would like a paper copy of a manual, you can order it by contacting Commonwealth-Martin at 1-804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates that are requested.

PROVIDER E-NEWSLETTER SIGN-UP

DMAS is pleased to inform providers about the creation of a new Provider E-Newsletter. The intent of this electronic newsletter is to inform, communicate, and share important program information with providers. Covered topics will include changes in claims processing, common problems with

Medicaid Memo: Special

August 4, 2006

Page 5

billing, new programs or changes in existing programs, and other information that may directly affect providers. If you would like to receive the electronic newsletter, please sign up at: www.dmas.virginia.gov/pr-provider_newletter.asp.

Please note that the Provider E-Newsletter is not intended to take the place of Medicaid Memos, Medicaid Provider Manuals, or any other official correspondence from DMAS.